

KID 2021 : Summer School Knowledge Dynamics, Industry Evolution, Economic Development

5-9 July 2021 Nice (France)

Innovation, Internationalisation and Public Policy

Prof Riccardo Crescenzi

London School of Economics

E-mail r.crescenzi@lse.ac.uk | Web <http://personal.lse.ac.uk/crescenzi> | Twitter [@crescenzi_r](https://twitter.com/crescenzi_r)

Innovation is highly geographically concentrated and its spatial distribution tends to remain stable over time. However, the process of technological development still opens windows of opportunity for new innovation centres to emerge around the world. What makes it possible for some cities and regions to join the exclusive ‘world innovation club’? Why other places remain persistently excluded or lose their membership? What are the fundamental differences between innovative and non-innovative places? These questions will be addressed by focusing on the transformative power of the flows of capital, skills and knowledge bundled into increasingly complex value chains often controlled by multinational firms. This session will cover the conceptual foundations and new empirical evidence from across the globe on the link between innovation and internationalisation. The first part will present a number of stylised facts on internationalisation and global connectivity and will show how they play a key role in shaping local technological development. The second section will discuss the impacts of global investment networks on their host economies. The final part of the lecture will address the role of public (innovation) policies and how they have been used in order to link foreign investors with their host eco-system.

Key questions:

- a. How do internationalisation and global connectivity shape national and local technological development and innovation?
- b. How do Multinational firms interact with the capabilities of their host regions?
- c. What are the innovation policy tools that work in practice?

Preparatory material (in advance of the session):

Key data on global investment flows can be interactively visualised here: <https://dv-lse.github.io/fdi-patent-innovate/>

The logic of the session is presented in these GILD videos:

<https://www.youtube.com/watch?v=PYvBp1SPmMQ> &
<https://www.youtube.com/watch?v=hDwbd9XUNc8>

Read this GILD Blog post to familiarise yourself with the topic:

<http://blogs.lse.ac.uk/gild/2018/11/30/why-foreign-investment-clicks-in-some-cities-and-regions-while-others-are-left-behind/>

Further readings

Crescenzi, Riccardo, Dyevre, Arnaud and Neffke, Frank (2020) *Innovation catalysts: how multinationals reshape the global geography of innovation*. Geography and Environment Discussion Paper Series (7). Department of Geography and Environment, LSE, London, UK.

http://eprints.lse.ac.uk/105684/1/Crescenzi_Dyevre_Neffke_Paper_7_innovation_catalysts_2020.pdf

- See associated Blog Post: <https://blogs.lse.ac.uk/gild/2017/10/12/innovation-and-the-city-the-quest-for-membership-of-an-exclusive-club/>

Crescenzi R., De Blasio G. and Giua M. "[Cohesion Policy Incentives for Collaborative Industrial Research. The Evaluation of a Smart Specialisation Forerunner Programme](#)", *Regional Studies*, 54:10, 1341-1353, 2020

- See associated Blog Post: <https://voxeu.org/article/smart-specialisation-strategies-italy-s-mezzogiorno>



Prof Riccardo Crescenzi is (Full) Professor of Economic Geography at the London School of Economics where he is also affiliated with the Centre for Economic Performance (CEP) and the Spatial Economics Research Centre (SERC). Riccardo is the current holder of a European Research Council (ERC) Starting Grant, one of the most competitive research funding schemes in Europe. He is also an Associate at the Centre for International Development (CID) at the Harvard Kennedy School of Government, Harvard University. He has been a Visiting Scholar at the Harvard Kennedy School of Government's Taubman Centre, at the University of California Los Angeles (UCLA) and a Jean Monnet Fellow at the European University Institute (Florence). Riccardo has provided academic advice to, amongst others, the European Investment Bank (EIB), the European Parliament, the European Commission (DG Regional Policy), the Inter-American Investment Bank (IADB), the Organisation for Economic Co-operation and Development (OECD) and various national and regional governments. Riccardo is the 2016 recipient of the Talented Young Italians Award for 'Research and Innovation' "in recognition of his outstanding research accomplishments" and the 2017 recipient of the Geoffrey J.D. Hewings Award from the North American Regional Science Council for "outstanding contribution to Regional Science Research". His research is focused on Regional Economic Development and Growth, Innovation, Multinational Firms and the analysis and evaluation of European Union development policies.